

Department of Defense
OSD/P&R/CPP Foreign National Program Newsletter
August 2009

This is the first of what is planned to be a periodic newsletter devoted to DoD foreign national (FN) personnel programs. Its intent is to provide information regarding recent developments in the realm of FN programs and to improve communication between the staff of the Office of the Deputy Under Secretary of Defense for Civilian Personnel Policy (CPP) and program stakeholders around the world. We hope this newsletter will be a useful resource for those involved with FN programs; providing knowledge of recent program developments and strengthening the lines of communication among those in our community.

1) CONFERENCE

CPP held a conference on foreign national personnel programs in April 2009 in the Washington, D.C. Metropolitan area. The conference brought together DoD personnel who work with these programs and other interested parties to examine issues of mutual interest, to discuss concerns with the regulatory and statutory framework that governs the program, and to consider potential changes to the way we establish, maintain, and administer these programs. CPP held a similar conference in July of 2006. A link to all the conference materials including a comprehensive conference report can be found on the DoD Foreign National Program Website (http://www.cpms.osd.mil/fnp/fnp_index.aspx).

2) IPP PORTAL

CPP has created an International Personnel Programs (IPP) Portal which will serve as a forum for communication among conference participants and other individuals involved in foreign national programs. The Portal includes a document center where registered users can view, download, and upload documents and a blog discussion area where users can post comments and respond to comments posted by other users. The IPP Portal can be accessed at http://www.cpms.osd.mil/fnp/fnp_index.aspx.

3) PORTUGAL

On July 11, 2009 the Deputy Secretary of State of the U.S. Department of State and the Portuguese Minister of State and Foreign Affairs signed an agreement amending Article 4 of the U.S. – Portugal Labor Agreement and Article 13 of the U.S. – Portugal Work Regulation governing the employment relations between the United States Forces Azores (USFORAZORES) and its Portuguese employees. The Labor Agreement and Work Regulation are supplementary

agreements to the Agreement on Cooperation and Defense between the United States and Portugal signed June 1, 1995. The Labor Agreement and its accompanying Work Regulation regulate the terms and conditions of employment of Portuguese nationals by U.S. forces stationed in the Autonomous Region of the Azores. Article 4 of the Labor Agreement prescribes the process by which USFORAZORES annually renews the pay rates of its Portuguese civilian employees. Pay rates are currently renewed based on a survey of prevailing wage rates on the Azorean Island of Terceira according to procedures contained in Article 13 of the Work Regulation. Amendments to Article 4 and Article 13 remove the wage survey requirement and implement a new system whereby pay rates are annually reviewed and adjusted based on a comparison of the salary increases of the Government of Portugal civil service and U.S. Department of Defense (DoD) civilian employees, with the larger of the two increases being implemented. Payment adjustments will be implemented in accordance with U.S. law governing the funding available for such increases. The process of negotiating amendments to these agreements was initiated by DoD CPP in coordination with the Department of State.

In accordance with the Agreement on Defense Cooperation, the amendments will enter into force upon notification by each Party of the conclusion of its required constitutional procedures, most likely through an exchange of diplomatic notes. For the U.S., the amendment is considered an executive agreement and there are no further constitutional procedures required. The internal process for the Portuguese is different, involving some form of parliamentary review and approval. Until this takes place, the current procedures for determining pay rates at Lajes remain in place. CPP recently approved a 3.13% pay increase which was capped at 2.9% based on wage survey results.

This is a significant change in FN pay setting practice. Nothing similar is done in any other country where DoD employs local nationals, and the ramifications of this new practice are yet to be seen.

4) POLAND

On August 20, 2008 the U.S. and Poland concluded an agreement concerning the deployment of ground-based ballistic missile defense interceptors in the territory of Poland. In conjunction with this agreement, negotiations on a U.S. – Poland supplemental status of forces agreement (SOFA) have begun in earnest. In October 2008, the former DUSD(CPP) Ms. Patricia Bradshaw led a labor working group to Poland to begin work on negotiating the labor article of the new SOFA. The OSD CPP team was comprised of representatives from EUCOM, Air Force, Army, and Navy. After several working group negotiating sessions with an ever changing Polish delegation, both sides were able to reach general agreement on the text of the labor article at the working group level. This language was presented and approved at a Plenary session in late April of 2009.

Negotiations on the remainder of the SOFA are ongoing, with several incomplete articles. Round IX of Plenary negotiations are scheduled in Warsaw in late August 2009.

5) ROMANIA

In December 2005 the U.S. and Romania signed an agreement regarding the activities of United States forces located on the territory of Romania. This agreement allows for the joint use of Romanian military facilities by U.S. troops and establishes a basis for the direct hiring of a local civilian workforce. An Implementing Agreement between the U.S. and Romania regarding local civilian labor was signed on October 31, 2007.

A Joint Task Force East Headquarters has been established at Mihail-Kogalniceanu Air Base. At MK Air Base and other designated training areas, U.S. forces members participate with their Romanian counterparts in joint training activities on a rotational basis. Plans for building additional maintenance and support facilities for U.S. forces in Romania are underway. It is estimated that MK Air Base will reach full operating capability in March 2010. It is expected that the base will have a need for local national employees.

Representatives from EUCOM J1 in conjunction with service Component representatives have begun work on establishing U.S. forces administrative policies for the employment of local nationals in Romania.

6) BULGARIA

In April 2006 the U.S. and the Republic of Bulgaria entered into a Defense Cooperation agreement establishing a framework for enhanced partnership, defense, and security cooperation. This agreement is similar to the agreement signed with Romania. It includes the conditions of shared use of several Bulgarian Military Facilities on which U.S. military units will be deployed to train on a rotational basis. These units will be a part of Joint Task Force East.

The agreement includes a Labor Article authorizing the U.S. forces and Military Service Activities to employ dependents as well as persons authorized to be employed in Bulgaria. An Implementing Agreement regarding local civilian labor was signed in February 2008. Similar to the Romania IA, the document stipulates that the U.S. forces will establish administrative policies and procedures necessary for the effective management, supervision, and utilization of locally hired employees. It is estimated that there will be a need to hire local nationals in Bulgaria sometime in 2011.

7) CZECH REPUBLIC

In July of 2008 an agreement was concluded regarding the establishment of a United States Ballistic Missile Defense Radar Site in the Czech Republic. A supplementary SOFA was negotiated between the U.S. and the Czech Republic. Both the Ballistic Missile Defense Agreement and the supplementary SOFA were approved by the Czech senate on November 24, 2008. However, the lower level of the Czech Republic has not approved the agreements and it is not known when a vote will occur. The SOFA includes a provision for hiring local civilian labor under a direct-hire employment system.

8) SERBIA AND MONTENEGRO

In September 2006 an agreement between the U.S. and the Government of the Republic of Serbia on status protections and access to and use of military infrastructure in the Republic of Serbia was signed. This agreement does not include a provision for the hiring of local civilian labor. A similar agreement was concluded between the U.S. and Montenegro in May 2007. This agreement includes a local civilian labor provision. U.S. Armed Forces labor requirements will be satisfied under a personnel system agreed upon by the U.S. and Montenegro. Montenegrin labor law as it applies to the civilian employees of the Montenegrin Government, and in particular, to the civilian employees of the Montenegrin Ministry of Defense will be respected by the U.S. to the extent that the Montenegrin law is not contrary to relevant provisions of United States law and regulations.

OSD/CPP Contacts:

Mr. Ryan New
Director, International Personnel Programs
(703) 614-9487
ryan.new@osd.mil

Mr. Dick Nicholson
(703) 614-9487
richard.nicholson@osd.mil